

EMPLOYEE STOCK OPTION SCHEME

The Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are detailed under:

Sl. No.	Particulars	Status of compliance
1.	The board of directors in their report shall disclose any material change in the scheme(s) and whether the scheme(s) is/ are in compliance with the regulations.	The scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014. Refer to page 34 and Notes to the Financial Statements on page 118 of the Annual Report 2018-19
2.	Further, the following details, inter alia, shall be disclosed on the company's website and a web-link thereto shall be provided in the report of board of directors.	
A.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Disclosed in Notes to the Financial Statements – Note 36 to Standalone Financials for the year ended March 31, 2019, page 118 of the Annual Report (Disclosure are provided in accordance with Ind AS 102, Share-based Payment)
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Refer to page 79 and 129 of the Annual Report for disclosure of Diluted EPS at standalone and consolidated levels.
C.	Details related to Employees Stock Option Scheme (ESOS)	
(i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including -	
	(a) Date of shareholders' approval	The 2004 Plan, 17th September, 2004
	(b) Total number of options approved under ESOS	4800000
	(c) Vesting requirements	These instruments will vest over a period of four years.
	(d) Exercise price or pricing formula	The exercise price of stock options would be Market price as on the date of grant.
	(e) Maximum term of options granted	3 years from the date of vesting
	(f) Source of shares (primary, secondary or combination)	Combination of primary and secondary
	(g) Variation in terms of options	NIL
(ii)	Method used to account for ESOS - Intrinsic or fair value.	Intrinsic value
(iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	The company has used the intrinsic value method to compute the employee compensation cost on account of ESOP in the financial year 2018-19. Had the company used the fair value method, the ESOP cost in the financial year would have been Rs. NIL and net profit would have reduced by this amount. The EPS (in Rs) would have been 11.79

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(iv)	Option movement during the year (for each ESOS):	
	Number of options outstanding at the beginning of the period	200000
	Number of options granted during the year	-
	Number of options forfeited / lapsed during the year	200000
	Number of options vested during the year	-
	Number of options exercised during the year	-
	Number of shares arising as a result of exercise of options	-
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
	Loan repaid by the Trust during the year from exercise price received	-
	Number of options outstanding at the end of the year	Nil
	Number of options exercisable at the end of the year	Nil
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Number of outstanding options as on March 31, 2019 were – NIL. The weighted average exercise price of the outstanding options as on March 31, 2019 was Rs 22.30 and the weighted average fair value of the outstanding options as on March 31, 2019 was Rs. 14.87
(vi)	Employee wise details (name of employee, designation, year, exercise price) of options granted to -	number of options granted during the year
	(a) senior managerial personnel;	NIL
	(b) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	NIL
	(c) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	NIL
(vii)	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:	The company has opted to use the Intrinsic value method for accounting of compensation cost arising out of ESOP. However for disclosures in Para (iii) above the following assumptions have been made
	(a) i).the weighted-average values of share price,	Rs. 22.30
	ii).exercise price,	Market price as per SEBI guidelines.
	iii).expected volatility,	50%
	iv).expected option life,	48 months
	v).expected dividends,	1.33%

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	vi).the risk-free interest rate and	6.5%
	vii).any other inputs to the model;	NIL
	(b) the method used and the assumptions made to incorporate the effects of expected early exercise;	NIL
	(c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	The scheme was drawn up in accordance with the then guidelines of SEBI as such this assumption was not applicable.
	(d) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Same as above.